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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/630,272	08/01/2000	James Leonard Driessen		7426

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EXAMINER

ROSEN, NICHOLAS D

ART UNIT PAPER NUMBER

3625

DATE MAILED: 03/31/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/630,272

Applicant(s)

DRIESSEN, JAMES LEONARD

Examiner

Nicholas D. Rosen

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 13 February 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 14-27 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 14-27 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 12 December 2003 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date <u>10</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Claims 14-27 have been examined.

Claim Objections

Claims 14-19 are objected to because of the following informalities: In claim 14, the word "comprising" at the end of the first line should be followed by a colon rather than a semicolon. Appropriate correction is required.

Claim 15 is objected to because of the following informalities: Claim 15 recites "A retail point of sale establishment in claim 14." That should be "The payment system of claim 14, wherein the retail point of sale establishment further comprises:". Also, the word "comprising" at the end of the first line should be followed by a colon rather than a semicolon. Appropriate correction is required.

Claim 16 is objected to because of the following informalities: Claim 16 recites "A customer access point at said retail point of sale establishment in claim 14." That should be "The payment system of claim 14, wherein said customer access point at said retail point of sale establishment further comprises:". Also, the word "comprising" at the end of the second line should be followed by a colon rather than a semicolon. Appropriate correction is required.

Claim 17 is objected to because of the following informalities: Claim 17 recites "Means for storing and retrieving a record in claim 14." That should be "The payment system of claim 14, wherein said means for storing and retrieving a record further

comprises:". Also, the word "comprising" at the end of the second line should be followed by a colon rather than a semicolon. Appropriate correction is required.

Claim 18 is objected to because of the following informalities: Claim 18 recites "Means for Internet transaction authorization or other Internet security in claim 14." That should be "The payment system of claim 14, wherein said means for Internet transaction authorization or other Internet security comprises:". Also, the word "comprising" at the end of the second line should be followed by a colon rather than a semicolon. Appropriate correction is required.

Claim 19 is objected to because of the following informalities: Claim 19 recites "Means for transfer of ownership or rights in said Internet security merchandise or media to said customer in claim 14," which does not have proper antecedent basis (claim 14 recites "means for Internet transaction authorization or other Internet security", which is "to facilitate transfer of ownership or rights"). Also, the word "comprising" at the end of the second line should be followed by a colon rather than a semicolon. Finally, claim 19 commits a confusing zeugma by reciting, as part of the system, both user access terminal means, which is properly part of a system, and "retrieval . . . without transmission of or use of cookies," which is a step performed by the system. Appropriate correction is required.

Claims 20 and 21 are objected to because of the following informalities: In the second line of claim 20, "comprising" should be followed by a colon instead of a semicolon. Appropriate correction is required.

Claim 21 is objected to because of the following informalities: In the second line, "comprising" should be followed by a colon instead of a semicolon. Appropriate correction is required.

Claims 22 and 23 are objected to because of the following informalities: In the third line of claim 22, "comprising" should be followed by a colon instead of a semicolon. Appropriate correction is required.

Claims 24-27 are objected to because of the following informalities: In the first line of claim 24, "comprising" should be followed by a colon instead of a semicolon. Appropriate correction is required.

Claim 25 is objected to because of the following informalities: In the first line, "comprising" should be followed by a colon instead of a semicolon. Also, "Method of permitting customer access in claim 24" should be "The method of claim 24, further comprising the step of:", and should be followed by a step, not a description of a state of affairs (e.g., permitting access to a retail store," not "access to a retail store"). Appropriate correction is required.

Claim 26 is objected to because of the following informalities: In the second line, "comprising" should be followed by a colon instead of a semicolon. Also, "Method of permitting of storing or retrieving a record . . . in claim 24" should be "The method of claim 24, wherein the step of storing or retrieving a record comprises:". Appropriate correction is required.

Claim 27 is objected to because of the following informalities: In the second line, "comprising" should be followed by a colon instead of a semicolon. Also, "A method of

accepting payment . . . in claim 24" should be "The method of claim 24, wherein the step of accepting payment comprises:". Appropriate correction is required.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claim 16 is rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Claim 16 recites a cashier as an element of the claimed invention. The cashier is presumably a human being, and human beings cannot be patented.

Claims 24-27 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claims are directed to a method not within the technological arts ("technological arts" being considered equivalent to "useful arts," mentioned in Article I, Section 8 of the United States Constitution, saying that Congress shall have "power to promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writing and Discoveries" – see *In re Musgrave*, 431 F.2d 882, 167 USPQ [CCPA 1970]). The claims are directed to a method that does nothing more than manipulate an abstract idea. To be patentable, a method claim must produce a useful, concrete, and tangible result, or involve a step or act of manipulating technology (see *AT&T v. Excel Communications Inc.*, 172 F.3d at 1358, 50 USPQ 2d. at 1452). The claimed method of

prepaid sale of Internet merchandise or media may be, in a sense, useful, but is not concrete or tangible, and does not involve a step or act of manipulating technology.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 18 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 18 is rejected under 35 U.S.C. 112, second paragraph, as being incomplete for omitting essential structural cooperative relationships of elements, such omission amounting to a gap between the necessary structural connections. See MPEP § 2172.01. Claim 18 recites a key pair and identifying marks, but does not recite or describe the structural cooperative relationships of the recited elements to each other or the system of claim 14.

Claims 20 and 21 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 20 and 21 are rejected under 35 U.S.C. 112, second paragraph, as being incomplete for omitting essential structural cooperative relationships of elements, such omission amounting to a gap between the necessary structural connections. See MPEP § 2172.01. Claims 20 and 21 recite an "Internet transaction authorization system

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or other Internet security,” but do not recite or describe the structural cooperative relationships of the recited elements, and thus amount to a laundry list of features whose use together to perform Internet transaction authorizations or other Internet security functions is unclear.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 14-17 and 19

Claims 14-17 and 19 are rejected under 35 U.S.C. 103(a) as being unpatentable over the anonymous article, “Mala Powers: Hollywood Star Still Shines on Walk of Fame,” hereinafter “Mala Powers,” in view of official notice. As per claim 14, “Mala Powers” discloses means for storing and retrieving a record on or in a physical medium corresponding to a network item of merchandise or media; and means for transaction authorization or other transaction security on, in, or actuated from said physical medium to facilitate transfer of ownership or rights in said merchandise or media to the customer (paragraph beginning “Powers’ latest venture”). “Mala Powers” does not disclose a retail point of sale establishment, a customer access point at said retail point of sale establishment, means for accepting payment through an in person transaction with a customer, and means for transfer of the physical medium from said retail point of sale

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establishment to said customer, but "Mala Powers" does disclose a pre-paid card that would presumably be purchased somewhere, and official notice is taken that retail point of sale establishments with customer access points, means for accepting payment, and means for transfer of merchandise, including physical media such as cards are well known. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for these elements to be present, for the obvious advantage of enabling customers to purchase the pre-paid card disclosed by "Mala Powers."

"Mala Powers" does not disclose an Internet transaction location or URL information, but does disclose a telephone network transaction location and location information (phone number and code), and official notice is taken that the Internet is well known. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to do the close Internet equivalent of what "Mala Powers" discloses being done on the telephone network, for the obvious advantage of profiting from the use of this widely available means for conducting transactions and transferring information.

As per claim 15, official notice is taken that retail stores, convenience stores, vending machines, and other physical places to conduct business are well known, and are even used to buy and sell cards. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the retail point of sale establishment to be such a physical place to conduct business, for

the obvious advantage of enabling the disclosed pre-paid cards to be conveniently purchased.

As per claim 16, official notice is taken that checkouts, kiosks, cashiers, cash registers, etc., are well known. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the customer access point to comprise such a means of customer interaction with the retail point of sale establishment, for the obvious advantage of enabling a customer to purchase a disclosed pre-paid card.

As per claim 17, "Mala Powers" discloses access information printed on a card, from which the access information would inherently have to have been written, inscribed, or otherwise placed thereon.

As per claim 19, "Mala Powers" inherently implies use of a telephone, to which a user access means on a computer network is the Internet equivalent, and in use of the telephone, there is no indication that there would be any transmission of cookies or other electronic disclosure of user information other than (possibly) detection of the number from which the call was made. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the Internet equivalent to apply, for the obvious advantage of enabling people to conveniently and without fear of loss of privacy enjoy merchandise or media on the Internet.

Claims 22 and 23

Claims 22 and 23 are rejected under 35 U.S.C. 103(a) as being unpatentable over the anonymous article, "Mala Powers: Hollywood Star Still Shines on Walk of Fame," hereinafter "Mala Powers," in view of official notice. As per claim 22, "Mala Powers" discloses an apparently anonymous transaction system to facilitate the transfer of ownership or rights in telephone network merchandise or media, comprising: network merchandise or media offered by a seller or other distributor on the telephone network through a telephone connection (paragraph beginning "Powers' latest venture"); and a user telephone access means connected to the telephone network (inherent from the disclosure of dialing an access number (paragraph beginning "Powers' latest venture"). "Mala Powers" discloses a pre-paid card (paragraph beginning "Powers' latest venture"), and official notice is taken that it is well known to buy merchandise, including cards, for cash, with no required disclosure of user information from the user; also, the dialing of the number disclosed by "Mala Powers" does not appear to involve disclosure of user information from the user or user access device (telephone) other than perhaps the user's telephone number, if that is detected. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the means for payment or otherwise completing a sale of network merchandise or media not to involve disclosure of user information from the user or user access device other than the telephone number or IP address, for the obvious advantage of enabling people to conveniently and without fear of loss of privacy enjoy merchandise or media on the Internet.

"Mala Powers" does not disclose Internet merchandise or media, or a terminal with an IP address connected to the Internet, but does disclose use of the telephone network, and official notice is taken that the Internet is well known. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to do the close Internet equivalent of what "Mala Powers" discloses being done on the telephone network, for the obvious advantage of profiting from the use of this widely available means for conducting transactions and transferring information.

As per claim 23, as set forth above in the rejection of claim 22, "Mala Powers" does not disclose disclosure of user information from or to any third party or third party terminal other than perhaps a telephone number, equivalent to an IP address. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to include means for payment without disclosure of user information from or to any third party or third party terminal other than an IP address, for the obvious advantage of enabling people to conveniently and without fear of loss of privacy enjoy merchandise or media on the Internet.

Claims 24-27

Claims 24, 25, 26, and 27 are rejected under 35 U.S.C. 103(a) as being unpatentable over the anonymous article, "Mala Powers: Hollywood Star Still Shines on Walk of Fame," hereinafter "Mala Powers," in view of official notice. As per claim 24, claim 24 is a method claim essentially parallel to the system claim 14, and rejected on essentially the same grounds set forth above with regard to claim 14.

As per claim 25, claim 25 is a method claim essentially parallel to the system claim 15, and rejected on essentially the same grounds set forth above with regard to claim 15.

As per claim 26, claim 26 is a method claim essentially parallel to the system claim 17, and rejected on essentially the same grounds set forth above with regard to claim 17.

As per claim 27, claim 27 is a method claim essentially parallel to the system claim 16, and rejected on essentially the same grounds set forth above with regard to claim 16.

Allowable Subject Matter

Claim 18 is objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims, and further rewritten to overcome the various objections made, and to overcome the rejection under 35 U.S.C. 112 by clearly setting forth the relation of the key pair and identifying parts to the system of claim 14.

The following is a statement of reasons for the indication of allowable subject matter: The closest prior art of record for claim 14, "Mala Powers" discloses or renders obvious various features of claim 14, but does not disclose a public/private key pair or first and second coded licenses. Remus et al. ("Digital Signatures: The Next Step in Electronic Commerce"), discloses digital signatures using public/private key cryptography, which is in any event well known. Morris (U.S. Patent 5,530,751)

discloses individually coded identifying marks noticeable only by machine. Immega (U.S. Patent Application Publication 2003/0140235) (which may not qualify as prior art in any case) discloses public/private key cryptography for confirming the delivery of e-mail. However, neither Remus nor any other prior art of record discloses or reasonably suggests an Internet transaction authorization system for Internet media or content wherein said media or content has a first coded license, serial number, or other identifying mark thereon or therein that uses a code visible, audible, or otherwise noticeable by human or machine on a first mark that is a public key of a first public/private key pair; and a second coded license, serial number, or other identifying mark thereon or therein that uses a code visible, audible, or otherwise noticeable only by machine on a second mark that is a private key of said public/private key pair.

Claims 20 and 21 are objected to for informalities and rejected under 35 U.S.C. 112, but would be allowable if rewritten to overcome these objections and rejections.

The following is a statement of reasons for the indication of allowable subject matter: The closest prior art of record, Remus et al. ("Digital Signatures: The Next Step in Electronic Commerce"), discloses digital signatures using public/private key cryptography, which is in any event well known. Morris (U.S. Patent 5,530,751) discloses individually coded identifying marks noticeable only by machine. Immega (U.S. Patent Application Publication 2003/0140235) (which may not qualify as prior art in any case) discloses public/private key cryptography for confirming the delivery of e-mail. However, neither Remus nor any other prior art of record discloses or reasonably suggests an Internet transaction authorization system for Internet media or content

wherein said media or content has a first coded license, serial number, or other identifying mark thereon or therein that uses a code visible, audible, or otherwise noticeable by human or machine on a first mark that is a public key of a first public/private key pair; and a second coded license, serial number, or other identifying mark thereon or therein that uses a code visible, audible, or otherwise noticeable only by machine on a second mark that is a private key of said public/private key pair.

The foregoing statements of allowable subject matter are conditional on the claims being rewritten to clearly and in proper format recite the elements declared to be potentially allowable.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Stefik et al. (U.S. Patent 6,708,157) disclose a system for controlling the distribution and use of digital works using digital tickets. Shiloh (U.S. Patent Application Publication 2001/0037316) discloses a method and system for securing user identities and creating virtual users to enhance privacy on a communication server. Kwan (U.S. Patent Application Publication 2003/0200179) discloses a method, apparatus, and program to make payment in any currencies through a communication network system using pre-paid cards. McCarthy (U.S. Patent Application Publication 2004/0015404) discloses a method and media for secured desktop printing.

Dyson ("MilliCent: Digital Equipment's Scrip for Selling Content by the Slice") discloses a payment system wherein vendors know little beyond their customers' IP addresses. Oser ("Wells Fargo Launches ATM Advertising") discloses an ATM receipt with a URL and a code to verify a discount printed on an ATM receipt. Buelva ("Philippines: Union Bank Launches 'Net Banking Initiative") an ATM receipt with an Internet password for accessing a site printed thereon.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Nicholas D. Rosen, whose telephone number is 703-305-0753. This telephone number is expected to change to 571-272-6762 on or about April 13, 2005. The examiner can normally be reached on 8:30 AM - 5:00 PM, M-F.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins, can be reached on 703-308-1344. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306. Non-official/draft communications can be faxed to the examiner at 703-746-5574.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Nicholas D. Rosen
NICHOLAS D. ROSEN
PRIMARY EXAMINER

March 16, 2005